

DE 99-082

CONCORD ELECTRIC COMPANY AND  
EXETER & HAMPTON ELECTRIC COMPANY

1999/2000 Conservation Charges

Order NISI Approving Conservation Charges

O R D E R    N O .    23,250

June 30, 1999

On May 28, 1999, Concord Electric Company and Exeter & Hampton Electric Company (collectively UNITIL) filed with the New Hampshire Public Utilities Commission (Commission) a petition to revise their Conservation Charges and to expand their Demand Side Management (DSM) program offerings. By Order No. 22,948 (June 1, 1998), the Commission allowed UNITIL to phase-out all their DSM programs except for the Residential Social Services Program, a program aimed to provide energy efficiency measures to low-income customers.

UNITIL proposed to continue the Residential Social Services Program and to introduce the following programs to their customers: TumbleWash, Business & Industry Association of New Hampshire's WasteCap Resource Conservation Network program, and Northeast Energy Efficiency Partnerships, Inc.'s Commercial and Industrial (C&I) Initiatives. Cost-effectiveness analyses were not provided with the filing.

On June 21, 1999, the Commission issued Order No.

23,238 which suspended UNITIL's proposed tariff pages and required UNITIL to continue to offer its Residential Social Services Program and to collect the Conservation Charges as approved in Order No. 22,948. However, the Commission directed UNITIL to file revised Conservation Charges, if necessary, to ensure adequate funding of ongoing costs associated with their current DSM programs.

On June 25, 1999, UNITIL filed a letter with the Commission with proposed Conservation Charges for the period August 1, 1999 through December 31, 1999. UNITIL states that the revisions to the current Conservation Charges are necessary so as to avoid a large underrecovery. In addition, UNITIL states that program costs and savings have been updated for actual data through April 1999. UNITIL requested that the Conservation Charges go into effect August 1, 1999 on a bills-rendered basis. A comparison of the current to the proposed Conservation Charges follows:

Concord Electric Company:

	<u>Current</u>	<u>Proposed</u>
Domestic	\$0.00011/kWh	\$0.00065/kWh
Regular General Service	(\$0.00042)/kWh	\$0.00045/kWh
Large General Service	(\$0.00013)/kWh	\$0.00024/kWh

Exeter & Hampton Electric Company:

	<u>Current</u>	<u>Proposed</u>
Domestic	(\$0.00006)/kWh	\$0.00053/kWh
Regular General Service	\$0.00038/kWh	\$0.00034/kWh
Large General Service	(\$0.00013)/kWh	\$0.00031/kWh

The proposed Conservation Charges include a reconciliation of prior period over/underrecoveries, projected expenditures for the Residential Social Services Program, projected expenditures for ongoing regulatory reporting, and recovery of lost base revenues.

Also on June 25, 1999, Commission Staff (Staff) recommended that the Commission approve UNITIL's revised Conservation Charges. Staff agreed with UNITIL's assessment that the current Conservation Charges are insufficient to fund ongoing costs.

We have reviewed UNITIL's request to revise its Conservation Charges and Staff's recommendation and will approve the proposed Conservation Charges. We agree with Staff that revisions to the effective Conservation Charges are necessary to adequately fund the ongoing costs associated with UNITIL's current DSM programs.

Additionally, we waive the application of N.H. Admin. Rules, Puc 1203.05(a), which requires generally that rate changes be implemented on a service-rendered basis, and will allow UNITIL to implement its Conservation Charges on a bills-rendered basis. This waiver, pursuant to Puc 201.05, produces a result consistent with the principles embodied in Puc 1203.05(b), which sets forth exceptions for allowing rate changes on a bills-rendered basis, and is in the public interest because it eliminates customer confusion and reduces administrative costs.

**Based upon the foregoing, it is hereby**

**ORDERED NISI**, that the following Conservation Charges  
are APPROVED:

	Concord <u>Electric Company</u>	Exeter & Hampton <u>Electric Company</u>
Residential	\$0.00065/kWh	\$0.00053/kWh
Small C&I	\$0.00045/kWh	\$0.00034/kWh
Large C&I	\$0.00024/kWh	\$0.00031/kWh;

and it is

**FURTHER ORDERED**, that the Conservation Charges, as  
detailed above, shall be effective August 1, 1999 on a bills-  
rendered basis; and it is

**FURTHER ORDERED**, that UNITIL shall cause a copy of this  
Order Nisi to be published once in a statewide newspaper of  
general circulation or of circulation in those portions of the  
state where operations are conducted, such publication to be no  
later than July 8, 1999 and to be documented by affidavit filed  
with this office on or before July 14, 1999; and it is

**FURTHER ORDERED**, that all persons interested in  
responding to this petition be notified that they may submit  
their comments or file a written request for a hearing on this  
matter before the Commission no later than July 18, 1999; and it  
is

**FURTHER ORDERED**, that any party interested in

responding to such comments or request for hearing shall do so no later than July 26, 1999; and it is

**FURTHER ORDERED,** that this Order Nisi shall be effective August 1, 1999, unless the Commission provides otherwise in a supplemental order issued prior to the effective date; and it is

**FURTHER ORDERED,** that UNITIL shall file a compliance tariff with the Commission on or before August 1, 1999, in accordance with N.H. Admin. Rules, Puc 1603.02(b).

By order of the Public Utilities Commission of New  
Hampshire this thirtieth day of June, 1999.

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Douglas L. Patch  
Chairman

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Susan S. Geiger  
Commissioner

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Nancy Brockway  
Commissioner

Attested by:

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Thomas B. Getz  
Executive Director and Secretary